

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation into
Implementation of Assembly Bill 970 Regarding
the Identification of Electric Transmission and
Distribution Constraints, Actions to Resolve
Those Constraints, and Related Matters Affecting
the Reliability of Electric Supply.

Investigation 00-11-001
(Filed November 2, 2001)

**ADMINISTRATIVE LAW JUDGE'S RULING
NOTICE OF FURTHER PREHEARING CONFERENCE**

The purpose of this ruling is set a further prehearing conference (PHC) in this investigation. The PHC will begin at 10:00 a.m., on Tuesday, January 14, 2003, at the Commission Courtroom, State Office Building, 505 Van Ness Avenue, San Francisco, California. I anticipate that it may continue into the afternoon after a lunch break. The purpose of the PHC is to determine the scope and schedule for additional workshops and/or evidentiary hearings during 2003 to evaluate transmission constrained areas on the electric system. The workshops and hearings may initiate a CPCN process for one or more transmission projects, may address generic ratepayer/economic valuation issues, or other topics, as appropriate. In addition, as discussed further below, we will address during the PHC the scope and schedule for the transmission-related issues raised by Senate Bill (SB) 1038.

Based on the filings to date, it appears that we will be ready to move forward during the first half of 2003 with an evaluation of (1) a methodology to assess the economic value of proposed transmission facilities (as applied to

Path 26) and (2) transmission constraints in the Techachapi region. In its August 16, 2002 filing, the California Independent System Operator (ISO) estimated that a methodology would be available in final form and applied to Path 26 by mid-February, 2003. Southern California Edison Company (SCE) reported on December 2, 2002 that its draft Phase 2 conceptual report on Techachapi upgrades should be finalized this month. Accordingly, the ISO and SCE should discuss the status of these efforts in their prehearing conference statements, with proposed schedules for the Commission's consideration of the issues. The utilities, ISO and other interested parties should also identify any other high-priority transmission projects for our consideration during 2003 that are not being addressed elsewhere (e.g., by separate application for a certificate of public convenience and necessity or permit to construct).

The Commission will also address the transmission-related issues raised by SB 1038 in this proceeding during 2003. Among other things, SB 1038 adds Section 383.6 to the Public Utilities Code, which states:

“The commission shall, by December 1, 2003, prepare and submit to the Legislature, a comprehensive transmission plan for renewable electricity generation facilities, to provide for the rational, orderly, cost-effective expansion of transmission facilities that may be necessary to facilitate the development of renewable electricity generation facilities identified in the renewable electricity generation resource plan prepared pursuant to subdivision (j) of Section 383.5. The commission shall consult with the State Energy Resources Conservation and Development Commission, the Independent System Operator, and electrical corporations in the development of and preparation of the plan.”

By Section 383.5, the California Energy Commission (CEC) is directed to prepare the renewable resource plan that will serve as the basis for the transmission expansion plan described above:

“The Energy Commission shall, by December 1, 2003, prepare and submit to the Legislature a comprehensive renewable electricity generation resource plan that describes the renewable resource potential available in California, and recommendations for a plan for development to achieve the target of increasing the amount of electricity generated from renewable sources per year.... The Energy Commission shall consult with the commission, electrical corporations, and the Independent System Operator, in the development and preparation of the plan.”¹

Clearly, the development of a transmission expansion plan required by § 383.6 will need to be coordinated carefully with the § 383.5 requirement to develop a renewable resource plan so that both the Commission and CEC can meet their December 1, 2003 statutory deadlines. Commission and CEC staff are currently working on a coordinated approach and schedule for this effort. It is my intent to distribute a proposed schedule for the transmission-related requirements of SB 1038 to all parties on the service list prior to the PHC, so that we may discuss how best to fulfill this Legislative mandate while moving forward with other transmission-related priorities during the year. However, the utilities, CEC, ISO and interested parties are welcome to present in their PHC statements a proposed schedule for work products, comments, workshops or hearings that will ensure that the SB 1038 transmission-related issues are addressed in a coordinated and timely fashion in this proceeding.

PHC statements are to be filed at the Commission’s Docket Office and copies sent to me both electronically and via overnight mail on or before January 9, 2003. Hard copies should be mailed to me (overnight mail) at

¹ The State Energy Resources Conservation and Development Commission is the full name for the California Energy Commission.

21496 National Street, Volcano, CA 95689. Parties submitting PHC statements should also send electronic copies to all parties on the service list that have provided e-mail addresses, and bring 30 extra hard copies to distribute at the PHC (hard copy service is not required).

Service List

I am retaining the existing service list in this proceeding. Those appearing for the first time at the PHC may be added to the list by filling out an appearance form.

The current service list for this proceeding is available on the Commission's web page, www.cpuc.ca.gov. To obtain an up-to-date service list of electronic mail addresses:

- On the "Legal Documents" bar choose "Service Lists."
- Scroll through the "Index of Service Lists" to the number for this proceeding (or click "edit," "find," type in I0011001 and click "find next").
- To view and copy the electronic addresses for a service list, download the comma-delimited file, and copy the column containing the electronic addresses.

IT IS SO RULED.

Dated December 20, 2002, at San Francisco, California.

/s/ MEG GOTTSTEIN

Meg Gottstein
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Notice of Further Prehearing Conference on all parties of record in this proceeding or their attorneys of record. In addition, service was also performed by electronic mail and in Rulemaking 01-10-024.

Dated December 20, 2002, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074 or TTY# 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.